



County of San Bernardino

F A S

**STANDARD  
CONTRACT  
SIXTH AMENDMENT**

**FOR COUNTY USE ONLY**

<input type="checkbox"/> New <input checked="" type="checkbox"/> Change <input type="checkbox"/> Cancel	Vendor Code	SC	Dent.	A	Contract Number <b>89-941 A-6</b>	
County Department Real Estate Services Dept.			Dept.	Orgn.	Contractor's License No.	
County Department Contract Representative DAVID H. SLAUGHTER, Director			Telephone 387-7813		Total Contract Amount	
Contract Type <input type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other:						
If not encumbered or revenue contract type, provide reason: _____						
Commodity Code		Contract Start Date	Contract End Date	Original Amount	Amendment Amount	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No. <b>N30718</b>	Amount
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount
Project Name <b>San Bdno - DBH - Cont. Care</b>			Estimated Payment Total by Fiscal Year			
			FY	Amount	I/D	

THIS CONTRACT is entered into in the State of California by and between the County of San Bernardino, hereinafter called the County, and

Name

Peak III Enterprises, LLC

hereinafter called LANDLORD

Address

12749 E. Turquoise Avenue

Scottsdale, AZ 85259

Telephone

(480) 314-3491

Federal ID No. or Social Security No.

**IT IS HEREBY AGREED AS FOLLOWS:**

*(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)*

WHEREAS, the LANDLORD's predecessor-in-interest, Carol T. Filarski and COUNTY have previously entered into a Lease Agreement, Contract No. 89-941 (the "Lease"), wherein LANDLORD's predecessor-in-interest, agreed to lease certain real property to COUNTY, and;

WHEREAS, the LANDLORD and COUNTY desire to amend the Lease to reflect the change of ownership; and,

WHEREAS, the LANDLORD and COUNTY desire to adjust and correct the space amount leased;

WHEREAS, the LANDLORD and COUNTY desire to amend the lease to exercise options to extend the term for four (4) years, and;

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WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease Agreement to increase the rent from \$8,814.00 (\$1.28/sq.ft./full service) to \$9,697.00 (\$1.32/sq.ft./full service), provide an annual 3% lease rate increase, add electrical expense cap and provide for tenant improvements.

NOW, THEREFORE, in consideration of mutual covenants and conditions, the parties hereto agree the Lease Agreement, Contract No. 89-941, is amended as follows:

1. CHANGE that portion of Paragraph 1, PARTIES, which now reads "...Carol T. Filarski and James J. Filarski..." to read "...Peak III Enterprises, LLC..."

2. CHANGE that portion of Paragraph 2, PREMISES LEASED, which now reads "...6,881 square feet..." to read "...7,346 square feet..."

3. EXTEND the term of the lease from December 1, 2002 through November 30, 2006 and ADD the following:

Dec. 1, 2002 thru Nov. 30, 2003 - monthly payments of \$ 9,697.00 (\$1.32/sq.ft.)

Dec. 1, 2003 thru Nov. 30, 2004 - monthly payments of \$ 9,991.00 (\$1.36/sq.ft.)

Dec. 1, 2004 thru Nov. 30, 2005 - monthly payments of \$10,284.00 (\$1.40/sq.ft.)

Dec. 1, 2005 thru Nov. 30, 2006 - monthly payments of \$10,578.00 (\$1.44/sq.ft.)

4. DELETE in its entirety Paragraph 15, UTILITIES, and SUBSTITUTE therefor the following as a new Paragraph 15, UTILITIES:

15. **UTILITIES:** Except as set forth below in this paragraph under Electric Utility Expense Cap, LANDLORD shall furnish to the Premises and pay all service charges and related taxes for electric, gas, water, sewer, trash, fire alarm service and all other utilities. The COUNTY shall furnish and pay for security, vending machines and its own telephone service including pay telephones.

a. Electric Utility Expense Cap. For the purpose of this paragraph, the following definitions apply:

(1) Electric Utility Expenses: The term "Electric Utility Expenses," as used in this paragraph, shall include all direct costs and related taxes for electrical services billed to LANDLORD by the utility company for the Premises on a monthly basis. COUNTY shall be given credit for any rebates or other credits issued by the utility companies to the LANDLORD. COUNTY shall not be charged for any late fees or interest thereon charged by the utility companies to the LANDLORD. All common area Electrical Utility Expenses shall be at LANDLORD's sole expense and without reimbursement. COUNTY shall have the right to audit the LANDLORD's records concerning the Electric Utility Expenses.

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(2) Electric Utility Expense Cap: The term "Electric Utility Expense Cap," as used in this paragraph, shall be defined as the point above which LANDLORD's payment of Electric Utility Expenses become reimbursable to LANDLORD by COUNTY.

b. The Electric Utility Expense Cap for the first (1<sup>st</sup>) Lease year (starting as of the Commencement Date) is Twenty-two Cents (\$.22) per square foot per month and will increase two percent (2%) annually commencing on the anniversary of the Commencement Date.

c. No later than thirty (30) days following the anniversary of the Commencement Date of each Lease year, commencing on the first anniversary and concluding 30 days past the Ending Date, LANDLORD shall notify the COUNTY in writing of any excess in Electric Utility Expenses over the Electric Utility Expense Cap for the previous year of this Lease. LANDLORD shall provide COUNTY with receipts and invoices necessary to verify the cost and payment of all Electric Utility Expenses. COUNTY shall review the Electric Utility Expenses within sixty (60) days of receiving the receipts and invoices, and reimburse LANDLORD for the verified expenses in excess of the Electric Utility Expense Cap. Failure by LANDLORD to notify COUNTY in writing of any such increase in Electric Utility Expenses or to provide COUNTY with receipts and invoices within the 30-day period set forth above shall be a waiver of any increase due for the preceding Lease year only. Any waiver of Utility Expense Cap overage for any one (1) year period will not be a waiver for any succeeding one (1) year period.

d. LANDLORD shall provide separate electrical meters for the Premises. The parties agree to jointly read the separate meter and agree upon the initial reading on commencement of the Lease.

5. ADD to the existing Paragraph 12, MAINTENANCE, the following:

a. In December 2004, replace carpeted flooring throughout and paint all wall surfaces. Carpet to be 28 oz. and colors to be approved by COUNTY.

b. Beginning June 2003 and every six (6) months thereafter professionally clean carpet using hot water extraction process.

6. CHANGE that portion of Paragraph 24, NOTICES, which reads "...Landlord's address..." to read as follows:LANDLORD's address: Peak III Enterprises, LLC  
12749 E. Turquoise Avenue  
Scottsdale, AZ 85259

7. ADD Paragraph 45, AUTHORIZED SIGNATORS:

45. **AUTHORIZED SIGNATORS:** Both parties to this Lease represent that the signators executing this document are fully authorized to enter into this agreement.

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7. All other provisions and terms of the Lease Agreement, Contract No. 89-941, as previously amended, shall remain the same and are hereby incorporated by reference.

**END OF SIXTH AMENDMENT.**

COUNTY OF SAN BERNARDINO

Peak III Enterprises, LLC  
(Print or type name of corporation, company, contractor, etc.)

\_\_\_\_\_  
Dennis Hansberger, Chairman, Board of Supervisors

By: \_\_\_\_\_  
(Authorized signature – sign in blue ink)

Dated: \_\_\_\_\_

Name: Rita Tovella  
(Print or type name of person signing contract)

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Title: Member  
(Print or Type)

Clerk of the Board of Supervisors  
of the County of San Bernardino.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy

Address: \_\_\_\_\_

Approved as to Legal Form

Reviewed as to Affirmative Action

Reviewed for Processing



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Fiona Luke, Deputy County Counsel

Date

Date

Agency Administrator/CAO

Date

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